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New Partnership for Africa's Development: progress in implementation and international support

New Partnership for Africa's Development: ninth consolidated progress report on implementation and international support

Report of the Secretary-General

Summary

The present report, mandated by General Assembly resolution A/65/284, coincides with the tenth anniversary of the adoption by African leaders of the flagship programme of the African Union, the New Partnership for Africa's Development (NEPAD). The report assesses progress achieved in implementing NEPAD projects and programmes and the support provided by the international community. It also coincides with renewed attention being paid to Africa's development needs, as evidenced by the significant commitments made following the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals in 2010, the adoption of both the Istanbul Programme of Action at the Fourth United Nations Conference on the Least Developed Countries and the implementation framework for the recommendations of the Millennium Development Goals Africa Steering Group to accelerate progress towards achieving the Millennium Development Goals in Africa. This renewed attention reflects the fact that African countries still face challenges in achieving the Millennium Development Goals.

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In this context, while highlighting the fact that African countries have made progress in implementing NEPAD, the report reiterates the need for allocation of more resources to NEPAD sectoral priorities and for appropriate reforms to further encourage the private sector in partnership projects and promote public-private partnerships for the financing of infrastructure projects. To further strengthen international cooperation for development and facilitate the implementation of NEPAD, development partners should take urgent steps to successfully conclude the Doha Round of trade negotiations with its development dimension, deliver on aid commitments and improve aid effectiveness. Ten years after the adoption of NEPAD, the option of "business as usual" should not be an alternative as it would lead to broken promises and further delay the achievement of the Millennium Development Goals and the implementation of NEPAD.

Contents

		Page
I.	Introduction	4
II.	Action taken by African countries and organizations	4
	A. Infrastructure	4
	B. Agriculture and food security	6
	C. Health	7
	D. Education and training	8
	E. Environment and tourism	8
	F. Information and communications technology	10
	G. Science and technology	11
	H. Gender mainstreaming, empowerment of women and civil society participation	11
	I. African Peer Review Mechanism	12
III.	Response of the international community: building on the momentum of international support for Africa's development	13
	A. Official development assistance	14
	B. Debt relief	16
	C. Foreign direct investment	17
	D. Trade	18
	E. South-South cooperation	19
	F. Millennium Villages	19
IV.	Support provided by the United Nations system	20
	Strengthening of the Regional Coordination Mechanism of United Nations agencies and organizations working in Africa in support of the African Union and its NEPAD programme and the cluster system	20
V.	Conclusions and recommendations	21

I. Introduction

1. In its resolution 65/284, entitled "New Partnership for Africa's Development: progress in implementation and international support", the General Assembly requested the Secretary-General to submit a comprehensive report on the implementation of the resolution to the Assembly at its sixty-sixth session. The present report responds to that request.

2. The report highlights the policy measures taken by African countries and organizations in the implementation of the New Partnership for Africa's Development (NEPAD), the response of the international community and support provided by the United Nations system during the past year. The activities undertaken by the private sector and civil society in support of NEPAD are also highlighted. The report has benefited from information provided by Member States, the African Union Commission, the African Development Bank (AfDB), the NEPAD Planning and Coordinating Agency (NEPAD Agency), the African Peer Review Mechanism secretariat, the Organization for Economic Cooperation and Development (OECD) and a number of entities of the United Nations system.

II. Action taken by African countries and organizations

3. NEPAD, which was adopted in July 2001 in Lusaka by African leaders, is both a collective vision and a strategic development framework for Africa. Its main objective is to generate broad-based and equitable economic growth that allows Africa to reduce poverty and better integrate into the global economy. Translating this vision into action requires implementation of the key sectoral priorities of NEPAD. To a large extent, the move from a framework to an operational blueprint depends on the resolve of each country. Within the NEPAD context, each country is expected to design its own national blueprint consistent with NEPAD goals and assume responsibility for implementing NEPAD programmes at the national level. In addition, the regional economic communities, which are the core institutions for Africa's economic integration, play a leading role in implementing projects at the subregional level.

A. Infrastructure

4. Efforts in the past 12 months in this sector have focused on power, transport and water. The establishment of the NEPAD Agency and its integration into the structures and processes of the African Union has led to strengthened coherence and coordination of development efforts. For example, the NEPAD Agency and the African Union Commission Infrastructure and Energy Department have developed a joint work programme, and adopted a joint priority infrastructure project for 2010-2015, drawn from the African Union/NEPAD African Action Plan. The main objective of the Programme for Infrastructure Development in Africa, which was endorsed at the fourteenth African Union Summit in February 2010, is to develop a vision for Africa's infrastructure development based on the continent's strategic objectives and sector policies. It provides a coherent framework for regional and continental infrastructure development (transport, energy, water and information and communications technology).

5. Following the successful implementation of the short-term action plan, the NEPAD Agency, in collaboration with AfDB, launched a third review of the action plan. According to the review, the action plan contributed to the development of regional infrastructure with an estimated investment of $5.6 billion between 2002 and 2008, accounting for 69 per cent of the original short-term action plan investment envelope. Since 2004, of the 103 projects that have been reviewed, 70 per cent have achieved some progress and 15 per cent have reached project completion point.

6. In an effort to streamline its activities and ensure effective coordination and collaboration in programme and project implementation, the NEPAD Agency concluded a memorandum of understanding with the African Forum for Utility Regulators in March 2010. The Forum is an initiative established by the NEPAD founding document with the aim of establishing and fostering cooperation among utility regulators on the African continent in support of Africa's growth and socio-economic development. Its primary focus pertains to the regulation of infrastructure (communications, energy, transport, water and sanitation). Cooperation between the Forum and the Agency is aimed at building and strengthening existing partnership arrangements in relation to infrastructure development in Africa.

7. In the air transport sector, efforts have also continued to promote the safety and efficiency of air travel on the continent through the full implementation of the Yamoussoukro Declaration on a new African civil aviation policy. The NEPAD Agency and the African Civil Aviation Commission have also agreed on a memorandum of understanding to be signed this year, whereby the Agency will support the Commission in the mobilization of resources for the development of civil aviation in Africa and in undertaking its new role as the executing agency for the Yamoussoukro Declaration.

8. The NEPAD Agency continues to play an active role in the implementation of the Africa-Republic of Korea infrastructure project, an initiative of the Korea Institute for Development Strategy. Accordingly, the Agency supported the visit of an 18-member team of experts to Angola, the Democratic Republic of the Congo, Mozambique, Namibia, South Africa, the United Republic of Tanzania and Zambia, seeking pipeline investment projects in transportation and energy. The Agency is also following up on the outcome of the Republic of Korea-Africa investment conference on infrastructure and energy development held in Seoul in December 2009. Infrastructure projects from Angola, the Democratic Republic of the Congo, Namibia, South Africa, the United Republic of Tanzania and Zambia are being promoted to investors from the Republic of Korea.

9. In the area of regional integration and infrastructure, the NEPAD Agency has been facilitating the implementation of seven regional projects within the framework of the African Union-NEPAD Presidential Infrastructure Champion Initiative, as endorsed at the sixteenth session of the Assembly of the African Union.

10. In the water and sanitation sector, efforts have been focused on building and strengthening capacity in programme development and implementation through leveraging partnerships. In this regard, the NEPAD Agency and WaterAid (a water and sanitation non-governmental organization based in the United Kingdom of Great Britain and Northern Ireland) have agreed that WaterAid will provide short-term consultants to the Agency to develop and implement its programmes and in

return the Agency will consider hosting the WaterAid programme of activities for Southern Africa within its infrastructure unit. The two sides further agreed to work together in undertaking regional and continental water and sanitation programmes and projects.

B. Agriculture and food security

11. Agriculture is the mainstay of many African economies and thus crucial to Africa's long-term socio-economic growth and sustainable development. Progress on the implementation of commitments under the Comprehensive Africa Agriculture Development Programme (CAADP) at both country and regional levels continued during the period under review with an increasing number of countries designing programmes to deliver on the 6 per cent agricultural productivity target. Of the 26 countries that have signed their national CAADP compacts, 20 have prepared or finalized their national investment plans and presented them to an independent technical review organized by the Agency, and are now working on financing and implementation modalities.

12. Progress has been most notable in meeting the target of 10 per cent of the budget invested in agriculture as set out in the Maputo Declaration. Ten countries have now met the target, compared to only five countries in 2009, and nine countries have invested between 5 and 10 per cent of the budget.

13. There has also been noticeable progress on the implementation of regional CAADP compacts. The Commission of the Economic Community of West African States (ECOWAS), the only regional economic commission to sign a regional CAADP compact, has allocated $150 million from its own resources to finance a five-year plan. This represents 16 per cent of the overall cost of the regional plan. Similarly, development partners have also responded positively, with Spain allocating €240 million over three years, of which two thirds have already been disbursed through the World Bank.

14. The implementation of CAADP has brought additional benefits to beneficiary countries. Firstly, countries are embracing and providing for evidence-based analysis and planning and reviewing strategies and programmes, which is translating into the development of quality investment programmes. Secondly, countries are getting better access to locally acceptable tools and mechanisms, allowing for greater inclusiveness, more public and inclusive review of development policies and government openness to engage non-State actors as equal partners. Thirdly, it has led to an improved engagement with development partners and fourthly, it has greatly helped in providing framework and national priorities around which to harmonize and coordinate development aid support.

15. At the regional level, progress has been made in the implementation of the West Africa fisheries policy pilot project, involving Ghana and Sierra Leone. The project is supporting major World Bank investments in the fisheries sectors in Ghana and Sierra Leone. These countries are beneficiaries of two related International Development Association (IDA) investments totalling $90 to $100 million. An additional $57.8 million has been allocated to Ghana and Guinea-Bissau by the World Bank ($52 million), the Global Environmental Facility ($4 million) and the Partnership for African Fisheries ($1.8 million) as part of the first phase of the West African Regional Fisheries Programme.

16. These investments are strategic for NEPAD and the Partnership for African Fisheries in three ways: (a) NEPAD takes the lead in defining the policy, regulatory and management framework within which fisheries investments should take place; (b) they support the alignment of fisheries within the CAADP framework, i.e. to ensure that fisheries contribute more effectively and sustainably to the 6 per cent annual growth target and to food security; and (c) this constitutes the critical post-CAADP compact response to support countries which have completed their CAADP compact for formulating investment programmes in fisheries.

17. The implementation of the Partnership for African Fisheries has been important for the beneficiary countries in several respects: (a) its inputs have been critical in leveraging the financial investment of the World Bank and reducing the time it takes to complete the programme development cycle from 18 to 6 months; and (b) its active and important role in mobilizing local expertise for the formulation of the investment programme has enhanced the local ownership of the programmes.

C. Health

18. The NEPAD Agency has continued to pursue the key NEPAD objectives of improving health-care systems in Africa, increasing the number of trained health workers, and ensuring the availability of affordable, safe and effective medicine for all Africans. To achieve the latter goal, NEPAD is leading the African Medicines Regulatory Harmonization Initiative, which mobilizes financial and technical resources, advocates for policy and legislative reviews of the regulation of medicines, and coordinates existing capacity-building initiatives for regulation, with the aim of increasing harmonization of the regulation of medicines. NEPAD coordinates a consortium consisting of the World Health Organization (WHO), the Bill and Melinda Gates Foundation, the Clinton Foundation and the Department for International Development of the United Kingdom in implementing the Initiative and has so far received six project proposals from regional economic commissions for achieving harmonization at the regional level. The NEPAD Agency, in consultation with the regional economic commissions, has finalized the situation analysis of the regulation and harmonization of medicines in the East African Community (EAC), Southern African Development Community (SADC) and ECOWAS regions and will disseminate lessons learned from the review process to African countries and the commissions.

19. Through the Initiative, the NEPAD Agency is working with stakeholders and partners to address the poor regulation of African pharmaceutical markets as a main component of promotion and protection of public health, since it contributes to ensuring that patients access high-quality, safe and effective medicines. As such, the Agency is collaborating with the Pan-African Parliament Committee on Health, Labour and Social Affairs to raise awareness of and advocate for the Initiative on the continent. Furthermore, the implementation framework for the Initiative was endorsed by the African Union Conference of Ministers of Health in April 2011 in Namibia.

20. The NEPAD Agency has continued to play a key role in addressing the health workforce crisis in Africa. In this context, the African Platform on Human Resources for Health, chaired by the Agency, completed a needs assessment study of

sub-Saharan African medical schools to provide a strong knowledge base for future action. The findings of the study will guide the collaboration between WHO and the United States President's Emergency Plan for AIDS Relief in their efforts to scale up the transformative education of doctors and nurses, in line with the commitment of the Emergency Plan to support the training of more than 100,000 new health professionals in Africa.

21. Progress is being made in working with Research for Health Africa to achieve health and equity, reduce poverty and contribute to the socio-economic development of African countries. To date, Mozambique, Senegal and the United Republic of Tanzania have chosen to participate in the Research for Health Africa initiative. Senegal and the United Republic of Tanzania have agreed to use the initiative and its web portal to manage their national research into health information systems. The NEPAD Agency is also designing a programme to provide technical support to the regional economic commissions to develop comprehensive sanitary and phytosanitary policy frameworks, as well as strategies for staple crops. In particular, it will address issues of regional market integration.

D. Education and training

22. The NEPAD Agency has continued to promote human resource development for nurses and midwives in Africa, through negotiations with the Government of the United Republic of Tanzania for deployment of graduate nurses and midwives in rural communities, using mobile clinics. The Agency has also developed a programme which aims to upgrade the education and qualifications of nurses and midwives in three countries within the Economic Community of Central African States (ECCAS). In Southern Africa, a group of six universities with established clinical master's degrees in nursing and midwifery has formed a consortium, which will cooperate to develop and offer both undergraduate and master's degree programmes in nursing and midwifery in three host universities in the ECCAS region. At the same time they will assist regulatory bodies in the three countries and work with the Ministries of Health to develop career plans which make provision for the recognition, utilization and reward of such nurses and midwives in the public sector. In addition, the NEPAD Agency has prioritized forestry education, with submissions made to the Government of Sweden to provide funding for a workshop to finalize the programme for postgraduate studies in forestry education.

23. The project to establish a regional centre for mathematics, science and technology education is being pursued through redoubled efforts to engage the Governments of Gabon and South Africa to support the launch of the centre in Gabon. Three countries (Angola, the Democratic Republic of the Congo and Mozambique) have submitted proposals for funding teacher development through open and distance learning to the African Renaissance and International Cooperation Fund in South Africa.

E. Environment and tourism

24. Seven years after the adoption of the NEPAD Action Plan for the Environment, progress has been recorded in the development of subregional environment action plans for the regions and countries represented by ECCAS, ECOWAS, the

Intergovernmental Authority on Development, SADC, and the Arab Maghreb Union. This has enabled national action plans to be developed in five countries. Furthermore, capacity has been built in the implementation of the Action Plan for the Environment at national and subregional levels. The Plan has also provided support to African countries in enhancing implementation of the United Nations Framework Convention on Climate Change and the Kyoto Protocol. Similar support has been provided in the execution of the biodiversity and desertification aspects of the national action plans. In this regard, policy goals have been set and a framework developed to guide discussions on issues such as access and benefit sharing, sustainable forest management, alien invasive species, and integrated marine and coastal management. The Plan has also provided the framework for implementation of the Framework Convention on Climate Change at the regional level. The NEPAD Agency, in collaboration with the African Union Commission and the African Ministerial Conference on the Environment, has initiated a process to review the implementation of the environment action plans.

25. The NEPAD Agency is currently preparing a programme proposal entitled "Climate change adaptation and mitigation programme: responding to climate change using science, technology and innovation". As part of an ongoing programme of integrating youth empowerment into NEPAD programmes, the process of engaging youth in climate change has started. This will be undertaken through the African Young Scientists Initiative on Climate Change, which will have its secretariat hosted at North-West University, South Africa. The aim of the Young Scientists Initiative is to create awareness and elicit the proactive engagement of youth in climate change issues and activities. A launch for the initiative is planned for mid-August 2011 on the theme: "Promoting the role of African indigenous knowledge systems in climate change adaptation and mitigation".

26. Within the framework of the African Union-NEPAD Africa Regional Strategy for Disaster Risk Reduction and the programme of action for its implementation, efforts are being made to integrate disaster risk reduction into poverty reduction and sustainable development initiatives. The extended programme of action for the implementation of the Africa Regional Strategy for Disaster Risk Reduction for the period 2006 to 2015 was presented and adopted at the second African Ministerial Conference on Disaster Risk Reduction. In addition, the African Advisory Group on Disaster Risk Reduction was re-established specifically to advise and support national platforms, as well as subregional and regional authorities, in the implementation of disaster risk reduction initiatives in Africa.

27. As a development catalyst, tourism development can generate a positive spillover effect on other sectors, as well as sharing the development cost. The African Union Commission and the NEPAD Agency are actively working in partnership with national, regional, continental and global organizations to promote a comprehensive programme of regional integration in the tourism sector. Moreover, recognizing the opportunities and challenges the tourism industry presents to Africa, a number of African countries have developed tourism master plans with the assistance of the United Nations World Tourism Organization and other development partners.

F. Information and communications technology

28. Following a decision taken at the fifteenth session of the NEPAD Heads of State and Government Orientation Committee in July 2010 in Uganda, the NEPAD e-Africa Commission was replaced by the NEPAD e-Africa Programme to drive the information and communications technology priority sector, in line with the new strategic orientation of the NEPAD Agency.

29. The NEPAD e-Africa Programme, tasked with developing policies, strategies and projects at continental level for the development of information and communications technology throughout Africa, has continued to advance the implementation of its key initiatives: the NEPAD information and communications technology broadband infrastructure network for Africa and the NEPAD e-Schools initiative. Efforts to extend the enabling environment of the NEPAD information and communications technology broadband infrastructure network across the continent were enhanced by the organization of several regional and national stakeholder workshops on the Kigali Protocol held in Cairo for North Africa and in the Gambia, Senegal, Nigeria and Djibouti for local stakeholders.

30. Progress was registered in implementation of the Uhurunet submarine cable. The construction and maintenance agreement and the supply contract for the Africa Coast to Europe (ACE)/Uhurunet cable were signed in France in June 2010. This segment of the Uhurunet cable will stretch from France to South Africa and will connect all countries on the west coast of Africa. Baharicom, the company charged with development of the Uhurunet submarine cable ring around Africa has been making efforts to raise equity and debt and meet the payment schedule of the supply contract.

31. Regarding the Umojanet cross-border terrestrial network, two business plans were completed. The first, completed in July 2010, covered 10 countries in Eastern and Southern Africa (Angola, Botswana, the Democratic Republic of the Congo, Malawi, Mozambique, Namibia, South Africa, the United Republic of Tanzania, Zambia and Zimbabwe) and the second, completed in September 2010, covered 12 countries in West and Central Africa (Benin, Burkina Faso, Cameroon, the Central African Republic, Chad, Côte d'Ivoire, Equatorial Guinea, Ghana, Mali, the Niger, Nigeria and Togo).

32. In January 2011, the sixteenth African Union Summit endorsed the selection by the Technical Committee of the Presidential Infrastructure Championship Initiative of the African Union-NEPAD information and communications technology broadband infrastructure projects Uhurunet, Umojanet and the information and communications technology fibre-optic link along the proposed Nigeria-Niger-Algeria gas pipeline.

33. On the NEPAD e-Schools initiative, the NEPAD Agency has been working on modalities for closure of the demonstration phase of the initiative. Eighty demonstrations of NEPAD e-Schools have been implemented in 16 African countries. Each school in the demonstration project was equipped with a computer laboratory containing at least 20 personal computers, as well as a server and networking infrastructure and peripheral devices such as scanners, electronic whiteboards and printers. The schools were connected to the Internet to enable them to communicate with the rest of the world. The Agency has signed a memorandum

of understanding with the Internet Society to develop the capacity of key African stakeholders in the area of Internet governance.

G. Science and technology

34. Notable achievements of the African Science, Technology and Innovation Indicators Initiative to date are the establishment of focal points to spearhead the production of science, technology and innovation indicators at national level, capacity-building in science, technology and innovation data collection and publication of the African Innovation Outlook 2010, the first in a series of publications to inform the public about science, technology and innovation activities in African countries. This was launched in Ethiopia in May 2011 and contains the results of research and development surveys. It is expected to generate a debate to enrich the process of collecting better quality data. The NEPAD Agency and the Science, Technology and Innovation Indicators Initiative are also supporting the African Union Commission in establishing the African Observatory on Science, Technology and Innovation. A host country agreement has been signed with Equatorial Guinea and the Observatory will play the main role in coordination, data collection, and training, as well as dissemination of information on science, technology and innovation activities in Africa.

35. The African Science, Technology and Innovation Indicators Initiative programme has successfully completed its first phase in 19 African Union Commission member countries, designed to serve as a learning mechanism for mutual learning and knowledge sharing in conducting research and development and innovation surveys. As a result, guidelines for such surveys have been developed and adopted in participating countries. The measurement of science, technology and innovation as a support tool for policy formulation and implementation has opened up areas for further research and debate. Participating countries are collaborating on these matters and building a community of practice which will ensure that Africa speaks with one voice.

36. In November 2010, the Biosciences Eastern and Central Africa hub facilities were officially launched in Kenya. With financial support from Canada, the NEPAD Agency has constructed world-class laboratory facilities for scientists in Eastern and Central Africa. They will provide these scientists with the opportunity to carry out cutting edge research in the area of life sciences to address the challenges that face farmers in increasing agricultural productivity. Recently, the African Biosafety Network of Expertise was set up as a continent-wide service network managed by African staff with multidisciplinary expertise in biosafety systems. Since its inception, the Network has been providing training and science-based information to African regulators of agricultural biotechnology in order to help countries make informed decisions.

H. Gender mainstreaming, empowerment of women and civil society participation

37. The NEPAD Agency is working on the implementation of business incubators for African women entrepreneurs in the regional economic commissions. Currently, the aim is to finance pilot projects on business incubation for two selected regional

commissions, the Common Market for Eastern and Southern Africa (COMESA) and ECOWAS, with a budget of €1 million. The plan is to build upon this experience to roll it out to five other regional commissions. A memorandum of understanding was signed between the NEPAD Agency and COMESA in May 2010. The project was presented to the fourth meeting of Ministers responsible for gender and women's affairs, who took a decision to start the identification of women entrepreneurs and partner institutions. Subsequently, a technical consultation took place with COMESA and the Federation of National Associations of Women in Business in Eastern and Southern Africa (FEMCOM), and it was agreed that a World Bank initiative on business incubation will assist in disseminating lessons learned globally and in Africa.

38. The NEPAD Agency has embarked on strategic alliances with United Nations system agencies, such as the Economic Commission for Africa (ECA) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), in critical areas such as rural women, the economic empowerment of African women, knowledge generation and dissemination. Alongside preparation of the second call for proposals, the NEPAD/Spanish Fund for African Women's Empowerment undertook monitoring and evaluation of ongoing projects and closure of projects funded within the first call for proposals. The second phase of the Fund, which covers the period 2011 to 2013, represents the consolidation of the NEPAD programme on the empowerment of women in Africa.

39. The Fund has contributed to the promotion of gender mainstreaming and the development of essential tools for poverty alleviation, including increased numbers of women and girls trained in economically viable vocational skills. It has also assisted in the creation of employment opportunities through public and private partnerships, in skills development for women leaders in business and civil society and capacity-building in the use of information and communications technology in an effort to narrow the digital gap. The Fund has also supported the creation of income-generating activities for women through support for agroprocessing (45 machines) and business management training (600 women entrepreneurs).

I. African Peer Review Mechanism

40. The African Peer Review Mechanism has continued to strengthen its position as an instrument for advancing good governance and socio-economic development in Africa. Liberia officially joined the Mechanism at the African Peer Review Forum in January 2011. As of the end of July 2011, according to information provided by its secretariat, 30 countries had joined the Mechanism through signing the memorandum of understanding, namely: Algeria, Angola, Benin, Burkina Faso, Cameroon, the Congo, Djibouti, Egypt, Ethiopia, Gabon, Ghana, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mauritius, Mozambique, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, the Sudan, the United Republic of Tanzania, Togo, Uganda and Zambia. The membership of the Mechanism represents more than 76 per cent of the population of Africa.

41. Mauritius and Ethiopia were peer-reviewed during the thirteenth and fourteenth Summits of the African Peer Review Forum, respectively. As of the end of July 2011, 14 countries had been peer-reviewed: Algeria, Benin, Burkina Faso, Ethiopia, Ghana, Kenya, Lesotho, Mali, Mauritius, Mozambique, Nigeria, Rwanda,

South Africa and Uganda. Other countries are at various stages of the review process: Sierra Leone and Zambia received a country review mission in February and May 2011, respectively, the United Republic of Tanzania will be reviewed in the second half of 2011 and Ghana and Kenya are also poised for a second-cycle periodic review.

42. The countries reviewed have also made progress in the implementation of their respective national programmes of action arising from the review process. To that end, the fourteenth Summit of the Forum, held in Addis Ababa in January 2011, reviewed progress reports on the implementation of the national programmes of Lesotho, Nigeria and South Africa, while the fifteenth Summit, held in Malabo in June 2011, reviewed progress reports on the implementation of the national programmes of Benin and Burkina Faso.

43. In order to streamline and fast-track the peer review process, some of the existing tools have been revised. For instance, the master questionnaire was revised and validated in March 2011 at a stakeholder workshop in Johannesburg and is now due to be reviewed by the Forum at its sixteenth Summit in Ethiopia in January 2012, after a thorough review by the Mechanism focal points, as directed by the Forum at its fifteenth Summit.

44. The Mechanism has continued to receive support from its three strategic partners, AfDB, ECA and the United Nations Development Programme. That support has included participation in country review missions and other forms of technical and financial assistance. In this regard, AfDB has continued to provide a grant to support the project to streamline and fast-track the African Peer Review Mechanism process. The aims of the project include revising and improving instruments and processes and strengthening the capacity of the staff of the secretariat of the Mechanism. ECA has also been instrumental in enhancing research on and knowledge of the Mechanism through a study on diversity management entitled "Findings from the African Peer Review Mechanism and a framework for analysis and policymaking", and by organizing workshops to raise awareness of the Mechanism and harmonize the national programmes of action and other national plans into a common medium-term expenditure framework.

III. Response of the international community: building on the momentum of international support for Africa's development

45. Africa has rebounded from the global economic and financial crisis despite the slowdown in the pace of the global economic recovery. In 2010, Africa grew by 4.9 per cent on average, up from 3.1 per cent in 2009.[1] However, this recovery is fraught with uncertainty, related to both the fragile global economic outlook and political instability in the subregions. In addition, Africa still lags behind other regions with regard to progress in achieving the Millennium Development Goals, in particular goals related to child and maternal mortality and access to sanitation and clean water.

[1] Organization for Economic Cooperation and Development (OECD), African Development Bank, Economic Commission for Africa (ECA) and United Nations Development Programme, *African Economic Outlook* (Paris, OECD, 2011).

46. For this reason, development partners need to fully deliver on their commitments to continue their support for Africa aimed at achieving the development agenda for the continent, including the implementation of NEPAD priorities. The Group of 8 (G-8) countries made historic commitments to increase aid to Africa at the Gleneagles Summit in 2005, but have so far fallen short on these promises. The G-8 summit held in France in 2011 saw a reaffirmation of the Gleneagles commitments. In late 2010, the Group of 20 also launched its development initiative, the Seoul Development Consensus for Shared Growth, which puts more emphasis on promoting economic growth through infrastructure development and job creation. Lastly, the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, held in September 2010 in New York, adopted a global action plan to achieve the Millennium Development Goals by their target date and devoted special attention to Africa.

47. The uncertain economic outlook for Africa's traditional development partners and the reduced fiscal space they are facing seem to indicate that non-traditional donors could gain further importance in the coming years. This includes both emerging economies as well as non-State actors, such as private foundations and philanthropists. Given the tightening of aid budgets in OECD countries in the aftermath of the global financial and economic crisis and its negative impact on aid disbursement, the fourth High-level Forum on Aid Effectiveness in Busan, Republic of Korea, in November and December 2011 will be an opportune moment for development partners to reaffirm their commitment to both aid quantity and effectiveness, as enshrined in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action.

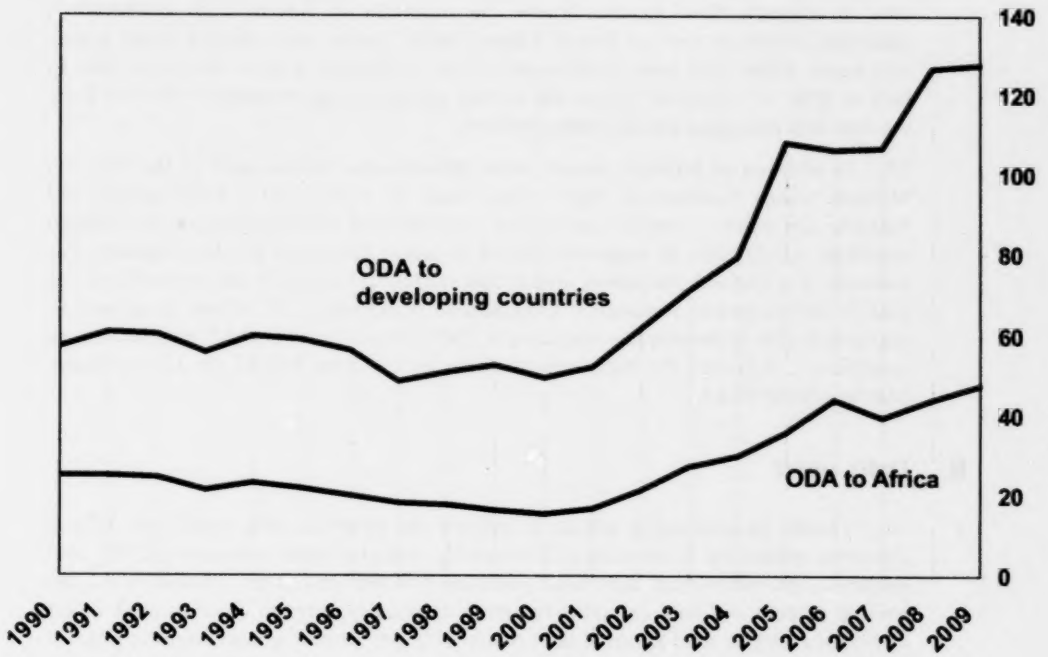
48. The Fourth United Nations Conference on the Least Developed Countries, held in May 2011 in Turkey, adopted the Programme of Action for the Least Developed Countries for the Decade 2011-2020 and the Istanbul Declaration. The objective of the Programme of Action is to ensure sustained economic growth and poverty reduction with a view to enabling half the number of least developed countries to graduate from the least developed country category by 2020. The Programme of Action identifies eight priority areas: productive capacity, including infrastructure, energy, science and technology and private sector development; agriculture, food security and rural development; trade; commodities; human and social development, including women's empowerment; addressing the impact of multiple crises and emerging challenges, such as climate change and sustainability; mobilizing financial resources for development and capacity-building; and good governance at all levels. Given that 33 out of the 48 least developed countries are in Africa, the implementation of the Programme of Action would go a long way to addressing the development challenges facing the continent.

A. Official development assistance

49. According to OECD, total official development assistance (ODA) from all donors reached $128 billion in 2009. Of this, $48 billion went to Africa, which represents an annual increase of 11.7 per cent in real terms over 2008 (see figure I below). In 2010, bilateral aid to Africa, not counting disbursements by multilateral agencies, rose by 3.6 per cent in real terms as compared to 2009 and reached $29.3 billion in 2010. Despite these increases, ODA continues to fall short of pledges made by the G-8 countries at the 2005 Gleneagles Summit, where they

committed to increasing total ODA to Africa by $25 billion. The Millennium Development Goals Gap Task Force estimates that there is a delivery gap of $18 billion and that Africa received $46 billion of total ODA from OECD Development Assistance Committee donors in 2010, which falls significantly short of the Gleneagles commitment of $64 billion.[2]

Figure I
Total official development assistance from all donors
(Billions of current United States dollars)



Source: Based on OECD/Development Assistance Committee online database 2011.

50. The G-8 Summits in Canada in 2010 and France in 2011 reaffirmed the G-8 partnership with Africa. In the Muskoka Initiative on maternal, newborn and child health, G-8 member countries committed to spending an additional $5 billion between 2010 and 2015 to achieve Millennium Development Goals 4 and 5 in developing countries. At the 2011 Summit in France the partnership was reaffirmed with the adoption of the G-8/Africa joint declaration: "Shared values, shared responsibilities". Also at the Summit the Deauville Partnership was launched, which lends support to the new democracies in the Arab countries and is committed to providing $20 billion through multilateral development banks to support sustainable and inclusive growth in Tunisia and Egypt.

[2] United Nations, *The Global Partnership for Development: Time to Deliver*, Millennium Development Goals Gap Task Force report (New York, forthcoming in 2011).

51. With regard to aid effectiveness, progress in achieving the targets set in the Paris Declaration on Aid Effectiveness in 2005 and the Accra Agenda for Action (A/63/539, annex) in 2008 is mixed. On the one hand, there is notable progress in untying aid to Africa, and to the least developed countries in particular, and 18 donors have signed up to the International Aid Transparency Initiative. On the other hand, progress in using country systems and reducing aid fragmentation remains limited. Against this backdrop, the international community is expected to renew its commitments to improving aid effectiveness at the upcoming fourth High-level Forum on Aid Effectiveness.

52. Non-traditional development partners are playing an increasingly important role in Africa's development. Under the umbrella of South-South cooperation, emerging countries such as Brazil, China, India, Turkey and others provide grants and loans, often with less conditionality than traditional donors. However, due to lack of data, it is difficult to provide a clear picture of the magnitude of ODA from the new and emerging development partners.

53. In addition to bilateral donors, new philanthropic actors such as the Bill and Melinda Gates Foundation, the Global Fund to Fight AIDS, Tuberculosis and Malaria and others, provide innovative development funding support to African countries which helps to augment limited domestic resources for development. For example, the Gates Foundation, which has started to report its aid to health to the OECD Development Assistance Committee, disbursed $1.8 billion in grants to improve health in developing countries in 2009, 36 per cent of which targeted Africa specifically. It is thus the third largest donor in this area, behind the United States and the Global Fund.

B. Debt relief

54. Thanks to continuing efforts to relieve the external debt burden of African countries within the framework of the heavily indebted poor countries (HIPC) debt initiative, the multilateral debt relief initiative (MDRI) and at the bilateral level, the amount of debt and debt servicing has been drastically reduced since its peak in the mid-1990s. While total external debt reached 73 per cent of gross domestic product (GDP) in sub-Saharan Africa in 1994, it fell to 21 per cent of GDP in 2010,[3] freeing resources and allowing countries to increase spending on poverty reduction and acceleration towards achieving the Millennium Development Goals.

55. Four countries, the Democratic Republic of the Congo, Guinea-Bissau, Liberia and Togo, have seen their debt reduced by significant amounts in the period from July 2010 to June 2011 through HIPC and MDRI. Upon reaching completion point, the Democratic Republic of the Congo was granted $12.3 billion in debt relief. After fulfilling outstanding requirements, Liberia reached completion point in June 2010 and saw its debt reduced by $4.6 billion in nominal terms. As a result, Liberia's external debt stock fell to 15 per cent of GDP. Guinea-Bissau received $1.2 billion in debt relief from the World Bank and the International Monetary Fund in December 2010. Lastly, in December 2010, upon reaching completion point, Togo saw an 82 per cent reduction in its external debt. Overall, 26 African countries have now reached completion point in the HIPC initiative and have benefited from debt

[3] International Monetary Fund (IMF), World Economic Outlook database, April 2011.

relief (see table 1 below). Members of the Paris Club contributed significantly to the debt relief for all four countries by agreeing to reductions and cancellations of bilateral debt. The contribution of Paris Club members to the debt relief of these four countries under the HIPC initiative amounted to more than $9 billion in nominal terms.

56. Despite this progress, there are renewed concerns about debt sustainability, in particular in light of the lingering impact of the global economic and financial crisis and the increased engagement and loan portfolio of new and emerging donors in Africa. According to recent reports, 9 of the 26 African countries that have so far benefited from the HIPC and MDRI initiatives still experience, or are at high risk of experiencing, debt distress.[4]

Table 1
Current and potential beneficiaries of HIPC and MDRI

Status	*Countries*
26 post-completion point countries	Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Congo, Democratic Republic of the Congo, Ethiopia, Gambia, Ghana, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, the Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, United Republic of Tanzania, Togo, Uganda, Zambia
4 post-decision point countries	Chad, Comoros, Côte d'Ivoire, Guinea
3 pre-decision point countries	Eritrea, Somalia, Sudan

Source: IMF, as of July 2011.

C. Foreign direct investment

57. According to the United Nations Conference on Trade and Development (UNCTAD), foreign direct investment (FDI) inflows to Africa decreased sharply in 2009 to $59 billion from a historic high of $72 billion in 2008, due mainly to the global economic and financial crisis. UNCTAD preliminary estimates for 2010 indicate that FDI flows to Africa declined by a further 14 per cent, to $50 billion.[5]

58. FDI declined in all subregions of the continent, with the exception of Central Africa, which benefited from large investments in Equatorial Guinea. In terms of sectoral distribution, investments in both manufacturing and the primary sector fell rapidly during the crisis, so that the services sector became the largest FDI recipient in Africa in 2009. Because of the quick recovery of global commodity prices after the crisis, FDI in the extractive industries is expected to rise in 2011. Indeed, while greenfield investments remained relatively low in 2010, mergers and acquisitions in the extractive industries were on the rise.

[4] Africa Progress Panel, *The Transformative Power of Partnerships, Africa Progress Report 2011* (Geneva, 2011).

[5] United Nations Conference on Trade and Development, "Global investment trends monitor No. 5", January 2011, available at http://www.unctad.org/en/docs//webdiaeia20111_en.pdf.

59. As investment inflows from traditional partners continue to decline, emerging countries have further strengthened their position in Africa with their share steadily increasing. For example, the share of FDI inflows originating in Asia rose from an average of 6.7 per cent between 1995 and 1999 to 15.2 per cent between 2000 and 2008.

60. African countries have also continued their efforts to improve the investment climate in order to attract FDI. By the end of 2008, they had concluded 715 bilateral investment treaties to promote and protect foreign investors. The regional economic commissions have also carried out regional investment programmes.[6] Africa's increased efforts are also reflected in an improved performance in the World Bank report, *Doing Business 2011: Making a Difference for Entrepreneurs*, which assesses the business regulation environment. In 2011, it lists 3 African countries among the 10 most improved economies. Development partners are supporting this process, inter alia, through the NEPAD-OECD Investment Initiative, which strengthens the capacity of African countries to design and implement reforms that improve their business climate.

D. Trade

61. Over the past year, virtually no progress has been made in reaching an agreement on issues affecting Africa in the Doha Round of trade negotiations. This is despite the commitment of the G-20 leaders, at the G-20 Summit in Seoul in November 2010, to conclude the Doha Round by the end of 2011, emphasizing the critical role of trade in the global economic recovery. In addition, negotiations on economic partnership agreements between the European Union and African regions have made very limited progress. At the third Africa-European Union Summit in Libya in November 2010, both sides renewed their commitment to finding solutions for the common concerns that remain over the economic partnership agreements. However, negotiations have stalled.

62. Following the second global review of the Aid for Trade initiative in 2009, Aid for Trade commitments to Africa increased further, amounting to $17 billion in 2009, a 21 per cent increase over 2008,[7] and focused on infrastructure and productive capacity. The third global review of the initiative will take place in 2011, creating additional momentum for Aid for Trade.

63. African countries are addressing the low level of trade within Africa and have reaffirmed their commitment to greater integration at the sixteenth African Union Summit. The African Union and NEPAD infrastructure programmes put an emphasis on regional connectivity and the regional economic commissions continue their efforts to achieve greater trade integration, most notably through a planned free trade agreement between COMESA, EAC and SADC, with the ultimate goal of establishing a single customs union. The three regional communities aim to complete the first phase of their integration efforts, a free trade area, within the next three years.

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[6] ECA and OECD, *The Mutual Review of Development Effectiveness in Africa: 2011 Interim Report* (2011), available at http://www.uneca.org/gpad/publications/mdre2011/MRDE%202011_Interim_EN.pdf.

[7] Ibid.

E. South-South cooperation

64. South-South cooperation has become increasingly important for Africa's development, complementing North-South cooperation. The rapid growth of Brazil, China, India and other emerging economies has had a dramatic and largely positive impact on the continent, leading to increasing flows of finance, trade, and development assistance. In the aftermath of the global financial and economic crises, economic linkages and other forms of cooperation have helped to mitigate the impact of the crises on the African economy and contributed to putting the continent back on the path of economic recovery. The G-20 Seoul Development Consensus for Shared Growth formalized this new role for emerging economies in the global arena.

65. Following the convening of a successful forum on China-Africa cooperation, other countries and regions have sought to institute formal structures to guide their cooperation and engagement with Africa. Examples are the second Viet Nam-Africa International Forum in August 2010, the Iran-Africa Forum in September 2010 and the second Afro-Arab Summit held in Libya in October 2010. At the latter, the African Union and the League of Arab States adopted an Africa-Arab partnership strategy aimed at creating an integrated Africa-Arab region and fostering closer economic and political cooperation.

66. In May 2011, India also deepened its cooperation with Africa during the second Africa-India Forum Summit held in Ethiopia on the theme: "Enhancing partnership: shared vision". The Africa-India Framework for Enhanced Cooperation was adopted to supplement the existing framework and induce an update of the existing joint Plan of Action that would incorporate a follow-up mechanism. India announced $5 billion worth of support to Africa over the next three years under lines of credit to aid Africa in the achievement of its development goals, offering an additional $700 million towards the development of new institutions and training programmes. The Forum also decided to institutionalize the summit process.

67. At the global level, in May 2011 in Indonesia, Non-Aligned Movement Ministers adopted a comprehensive outcome document outlining a shared vision of the Movement for the next 50 years and a commemorative declaration marking the 50th anniversary of the establishment of the Movement. The Bali commemorative declaration reaffirmed the need to expand and deepen South-South cooperation and enhance coordination in the formulation of common positions and strategies on economic and social development issues. The declaration also underlines the need for scaling up the global partnership and for finance for development to ensure the attainment of the internationally agreed development goals taking into account, inter alia, Africa's special needs.

F. Millennium Villages

68. Over the period under review, the Millennium Villages project continued to accelerate progress towards the achievement of the Millennium Development Goals at 10 sites in sub-Saharan African countries, reaching approximately 500,000 people.

69. Progress reports published after the first three years of operations indicate that the project approach is effective. Rigorous monitoring and evaluation of nine

research sites reveals that average maize yields have tripled and levels of chronic malnutrition in children under the age of two have declined by 43 per cent. School meal programmes have been established in all countries, with 70 per cent of primary school students receiving a school meal every day. This has had a significant positive impact on school enrolment and attendance.

70. Results in the health sector show that access to HIV testing during pregnancy has increased twofold, with institutional delivery rates improving by an average of 50 per cent. The project has recorded a reduction in malaria prevalence of more than 80 per cent and a sevenfold increase in bednet use. About 75 per cent of children have been immunized against measles and received vitamin A supplements in the past six months. The number of people with access to safer water has doubled and access to improved sanitation has increased threefold.

71. A number of countries are studying the lessons learned from the project to develop national strategies to achieve the Millennium Development Goals informed by this integrated model. In Ghana, Mali and Nigeria, Governments are developing national scale-up initiatives for the Millennium Development Goals based on the Millennium Villages experience, while in Malawi and Uganda the results of the project have informed the general discussion on the Millennium Development Goals at Government level.

IV. Support provided by the United Nations system

Strengthening of the Regional Coordination Mechanism of United Nations agencies and organizations working in Africa in support of the African Union and its NEPAD programme and the cluster system

72. During the period under review, the United Nations system continued to provide its technical and institutional support to the African Union NEPAD programme. Last year witnessed increased alignment of the programmes of various United Nations entities with those of the African Union Commission, the NEPAD Agency and the regional economic commissions. The United Nations system has been intensely involved in all these processes of institution-building and programme design and implementation at the regional, subregional, national and community levels.

73. The Regional Coordination Mechanism recorded significant achievements, as evidenced in enhanced coordination on the part of United Nations agencies and programmes. Specifically, the "Delivering as one" concept gained increased acceptance, with agencies recognizing the need to adopt a collective approach to support capacity-building in the African Union.

74. The eleventh session of the Regional Coordination Mechanism on the theme "Rio+20", held in November 2010, achieved significant outcomes, especially in relation to the implementation of the ten-year capacity-building programme for the African Union, which gave a renewed impetus to the implementation of the programme. The review of the programme was completed in 2010 and the main findings incorporated in the report of the Secretary-General (A/65/716-S/2011/54). The report finds considerable support for the programme among the members of the

African Union Commission. The report calls for strengthened engagement with the regional economic commissions, as well as the need for strengthened resource mobilization for the implementation of the programme.

75. The reconfiguration of the Regional Coordination Mechanism secretariat from being essentially led by the United Nations to becoming a joint United Nations-African Union secretariat has been consolidated and the African Union is increasingly exercising effective ownership and leadership. The joint secretariat now has a dedicated staff drawn from the African Union Commission and ECA, both of which have continued to provide strategic coordination and support to the Mechanism. Coordination processes have been strengthened, especially with the establishment of the NEPAD coordination unit within the office of the Chair of the African Union Commission. There has also been an improvement in coordination within and between clusters. In particular, the advocacy and communication cluster engaged representatives of the African media in the second Africa regional media dialogue in Lesotho in June 2011 and adopted the Maseru Declaration to enhance their advocacy role on African Union/NEPAD development priorities.

76. The Inter-Agency Task Force on Africa, convened by the Office of the Special Adviser on Africa at Headquarters, has continued to provide an effective framework for the agencies of the United Nations system to share expertise and experience. In particular, the Task Force has been active in providing inputs and suggestions for the preparation of the reports of the Secretary-General.

V. Conclusions and recommendations

77. **The past year has witnessed progress in the implementation of NEPAD projects and in moving forward the implementation of the African Peer Review Mechanism, an increase in ODA and Aid for Trade to African countries. Despite this progress, fundamental challenges remain in the implementation of NEPAD. As this year marks the celebration of the tenth anniversary of NEPAD, African countries should continue to implement and allocate more resources to NEPAD projects and promote private sector development, while development partners should take urgent steps to honour their commitments to Africa.**

78. **The tenth anniversary of NEPAD could be a turning point in the implementation of its sectoral priorities. This will require resolution and leadership to turn Africa's development vision and international commitments into policy actions and results. Ten years after the adoption of NEPAD, "business as usual" should not be an option. The following recommendations could be a starting point.**

79. **The NEPAD founding document stresses the need for partnership between African Governments and their own peoples, including the private sector and civil society. Much has been achieved in broadening the space for civic engagement. Now African countries need to build on this momentum and further strengthen mechanisms for the participation, inclusion and empowerment of all segments of society in the political and development processes.**

80. **Since the private sector is a key partner in the implementation of NEPAD, African countries should establish a business-friendly environment by further**

improving the investment climate. African countries also need to continue to undertake appropriate institutional reforms in order to attract private capital and develop public-private partnerships for financing infrastructure projects.

81. **Given the importance of agricultural development in ensuring food security and coping with recurrent food crises, African countries should strive to meet the Maputo Declaration target of allocating 10 per cent of national budgets to the agricultural sector and rural development and ensure better governance to effectively manage the resources allocated.**

82. **African women are Africa's face of hope, strength and opportunity. African countries should move beyond policies and plans to implementation, including prioritizing actions to achieve the goals of the African Women's Decade 2010-2020.**

83. **Now that 14 countries have been peer-reviewed, Governments should implement the agreed programmes of action and recommendations of the African Peer Review Mechanism country reports. The review process could move faster in order to accelerate the rate of completion of countries that have already launched the peer review process.**

84. **African countries should integrate climate change issues into economic planning and management at both national and regional levels and mainstream environmental policy into productive sectors, and international partners should support their mitigation and adaptation efforts. African countries should continue to engage in the preparatory process for the United Nations Conference on Sustainable Development (Rio+20) in 2012, whose outcome will affect the future sustainable growth of the continent.**

85. **Many countries and organizations that are not members of the OECD Development Assistance Committee are assuming an increasing role as development partners for African countries. Therefore, in order to improve aid effectiveness, there is a need to involve new and emerging development partners that are not Committee members. The upcoming fourth High-level Forum on Aid Effectiveness in Busan, Republic of Korea, could be the right platform. At the High-level Forum, development partners should take into account the African position, the Tunis Consensus, which calls for moving beyond aid effectiveness and focusing on development effectiveness, with the ultimate goal of reducing aid dependency and promoting self-reliance.**

86. **ODA and FDI can contribute to growth in Africa. Development partners should take urgent and collective action to substantially scale up aid disbursements, in order to meet their commitments of doubling assistance to Africa. They should also maintain the upward trend of FDI inflows to Africa.**

87. **In the context of high youth unemployment in Africa, development partners should conclude the long overdue Doha Round of multilateral trade negotiations with its development dimensions, as this would increase international trade and potentially boost prospects for job creation.**

88. **In the area of HIV/AIDS, development partners should continue supporting the strengthening of national health systems, research infrastructure and laboratory capacity and expand surveillance systems, with**

the goal of improving efforts to mitigate the impact of the epidemic, as reflected in the Political Declaration on HIV/AIDS of June 2011.

89. **Aid for Trade is an effective mechanism for supporting African countries in improving supply-side constraints and gaining from increased market access. As such, Aid for Trade measures should complement and not substitute for efforts to improve market access for African exports and strengthen the continent's contribution to world trade.**

90. **Despite a decrease in debt service costs through various bilateral and multilateral debt reduction initiatives, a number of African countries are experiencing debt distress that could impact their debt sustainability. To maintain debt sustainability, development partners should ensure that eligible countries for debt reduction get full debt relief from all creditors, including commercial creditors, and discourage lawsuits against heavily indebted poor countries by non-Paris Club creditors.**